



**STATE OF TENNESSEE  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
STATE CAPITOL  
NASHVILLE, TENNESSEE 37243-0285**

**DAVE GOETZ  
COMMISSIONER**

FOR IMMEDIATE RELEASE  
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## **NOVEMBER REVENUES**

NASHVILLE - Tennessee continues to collect revenues at a rate that exceeds last year. Finance and Administration Commissioner Dave Goetz reported today that overall November revenues were \$753.3 million or 2.44 % over November 2005 collections.

"While we have not experienced year-to-date revenue growth at the level we estimated, we are anticipating a strong holiday season," Goetz said. "Our primary advantage is that we budgeted our revenue collections conservatively in order to make sure the state meets its statutory obligation to balance spending with collections." Goetz said.

On an accrual basis, November is the fourth month in the 2006-2007 fiscal year.

November collections were \$9.5 million less than the budgeted estimate. The general fund was under collected by \$5.6 million and the four other funds were under collected by \$3.9 million.

Sales tax collections were \$24.7 million less than the estimate for November. The November growth rate was 3.98 %.

Franchise and excise taxes combined were \$7.2 million above the budgeted estimate of \$41.4 million.

Gasoline and motor fuel collections decreased by 9.62% and they were \$3.8 million below the budgeted estimate of \$73.0 million.

Inheritance taxes increased by 16.34% and for the month they were over collected by \$6.9 million.

Year-to date collections for four months were \$63.5 million less than the budgeted estimate. The general fund was under collected by \$63.9 million and the four other funds were over collected by \$400,000.

The budgeted revenue estimates are based on the State Funding Board's consensus recommendation adopted by the second session of the 104<sup>th</sup> General Assembly in May of 2006.

<p align="center"><b>Revenue Collections</b>  <b>November, 2006, And 4 Months Year-to-Date</b></p>
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**November Collections:**

	<b>Budgeted Accrual Estimate</b>	<b>Actual</b>	<b>Difference</b>
General Fund	\$622,668,000	\$617,028,000	(\$5,640,000)
Highway Fund	52,294,000	50,105,000	(2,189,000)
Sinking Fund	25,804,000	25,620,000	(184,000)
City & County Fund	59,631,000	58,073,000	(1,558,000)
Earmarked Fund	2,492,000	2,520,000	28,000
<b>Total</b>	<b>\$762,889,000</b>	<b>\$753,346,000</b>	<b>(\$9,543,000)</b>

**Year-To-Date Collections:**

	<b>Budgeted Accrual Estimate</b>	<b>Actual</b>	<b>Difference</b>
General Fund	\$2,749,054,000	\$2,685,130,000	(\$63,924,000)
Highway Fund	211,419,000	213,393,000	1,974,000
Sinking Fund	103,559,000	103,111,000	(448,000)
City & County Fund	240,022,000	238,824,000	(1,198,000)
Earmarked Fund	10,547,000	10,590,000	43,000
<b>Total</b>	<b>\$3,314,601,000</b>	<b>\$3,251,048,000</b>	<b>(\$63,553,000)</b>

**Table 1**  
**Tennessee Department of Revenue**  
**Comparative Statement of Collected Revenues**

Class of Tax	November			
	2005	2006	Change	Percent
Franchise & Excise	\$51,370,000	\$48,642,000	-\$2,728,000	-5.31%
Income	952,000	479,000	-473,000	-49.68%
Inheritance & Estate	12,136,000	14,119,000	1,983,000	16.34%
Gasoline	53,980,000	47,644,000	-6,336,000	-11.74%
Petroleum Special	5,804,000	5,395,000	-409,000	-7.05%
Tobacco	11,326,000	10,703,000	-623,000	-5.50%
Beer	1,461,000	1,537,000	76,000	5.20%
Motor Vehicle Registration	16,325,000	17,001,000	676,000	4.14%
Motor Vehicle Title	798,000	787,000	-11,000	-1.38%
Mixed Drink	4,268,000	4,390,000	122,000	2.86%
Business	671,000	980,000	309,000	46.05%
Privilege	22,334,000	24,968,000	2,634,000	11.79%
Gross Receipts	213,000	(84,000)	-297,000	-139.44%
TVA - In Lieu of Tax Payments	18,344,000	21,115,000	2,771,000	15.11%
Alcoholic Beverage	3,091,000	3,429,000	338,000	10.93%
Sales and Use	515,242,000	535,752,000	20,510,000	3.98%
Motor Vehicle Fuel	16,833,000	16,209,000	-624,000	-3.71%
Severance	165,000	109,000	-56,000	-33.94%
Coin-operated Amusement	7,000	4,000	-3,000	-42.86%
Unauthorized Substance	87,000	167,000	80,000	91.95%
<b>Total</b>	<b>\$735,407,000</b>	<b>\$753,346,000</b>	<b>\$17,939,000</b>	<b>2.44%</b>

**Table 2**  
**Tennessee Department of Revenue**  
**Comparative Statement of Collected Revenues**

Class of Tax	August - November			
	2005-2006	2006-2007	Change	Percent
Franchise & Excise	\$340,457,000	\$343,434,000	\$2,977,000	0.87%
Income	7,379,000	7,888,000	509,000	6.90%
Inheritance & Estate	32,655,000	41,099,000	8,444,000	25.86%
Gasoline	208,919,000	201,144,000	-7,775,000	-3.72%
Petroleum Special	22,167,000	21,709,000	-458,000	-2.07%
Tobacco	42,917,000	42,114,000	-803,000	-1.87%
Beer	6,182,000	6,327,000	145,000	2.35%
Motor Vehicle Registration	72,496,000	77,252,000	4,756,000	6.56%
Motor Vehicle Title	3,701,000	3,724,000	23,000	0.62%
Mixed Drink	15,596,000	17,094,000	1,498,000	9.61%
Business	5,768,000	6,751,000	983,000	17.04%
Privilege	95,316,000	99,600,000	4,284,000	4.49%
Gross Receipts	12,951,000	14,130,000	1,179,000	9.10%
TVA - In Lieu of Tax Payments	73,266,000	78,562,000	5,296,000	7.23%
Alcoholic Beverage	12,298,000	12,732,000	434,000	3.53%
Sales and Use	2,117,836,000	2,211,889,000	94,053,000	4.44%
Motor Vehicle Fuel	62,651,000	64,504,000	1,853,000	2.96%
Severance	615,000	449,000	-166,000	-26.99%
Coin-operated Amusement	54,000	68,000	14,000	25.93%
Unauthorized Substance	204,000	578,000	374,000	183.33%
<b>Total</b>	<b>\$3,133,428,000</b>	<b>\$3,251,048,000</b>	<b>\$117,620,000</b>	<b>3.75%</b>

**Table 3**  
**August - November Revenue Overcollections/(Undercollections)**  
**Budgeted Estimate**

	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
Sales Tax	\$ (59,000,000)	\$ (2,800,000)	\$ (61,800,000)
Income Tax	1,500,000	800,000	2,300,000
Inheritance Tax	14,300,000	0	14,300,000
Privilege Tax	5,000,000	0	5,000,000
Business Tax	900,000	0	900,000
TVA	1,800,000	1,300,000	3,100,000
Gross Receipts	800,000	0	800,000
Gasoline & Motor Fuel Taxes	(300,000)	(2,800,000)	(3,100,000)
Motor Vehicle Registration	700,000	3,500,000	4,200,000
Other Taxes	1,300,000	300,000	1,600,000
<b>Sub-Total</b>	<b>\$ (33,000,000)</b>	<b>\$ 300,000</b>	<b>\$ (32,700,000)</b>
F & E Taxes	(30,900,000)	0	(30,900,000)
<b>Total</b>	<b>\$ (63,900,000)</b>	<b>\$ 300,000</b>	<b>\$ (63,600,000)</b>